

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG RANGE PLANNING

Call to Order: By **CHAIRMAN DAVE KASTEN**, on January 28, 2003 at 8:30 A.M., in Room 350 Capitol.

ROLL CALL

Members Present:

Rep. Dave Kasten, Chairman (R)
Sen. Tom Zook, Vice Chairman (R)
Rep. Christine Kaufmann (D)
Sen. Jon Tester (D)
Sen. Joseph (Joe) Tropila (D)
Rep. John Witt (R)

Members Excused: Sen. Bob Keenan (R)

Members Absent: None.

Staff Present: Catherine Duncan, Legislative Branch
Jane Hamman, OBPP
CJ Johnson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 7, RECLAMATION AND DEVELOPMENT
GRANT PROGRAM, VOLUME 5
Executive Action: None

HEARING ON HB 7

**Butte-Silver Bow Local Government-Excelsior
Reclamation, RDGP-Page 43**

CHAIRMAN KASTEN opened the hearing on Butte-Silver Bow Local Government-Excelsior Reclamation, RDGP-Page 43.

Greg Mills, RDGP-DNRC, said this project is for six grant funds to reclaim four acres adjacent to Excelsior stream located in Butte. He said that the major objectives for this project will be regrading the steep slopes and the reestablishment of vegetation to reduce erosion. He said that the location of this project is a major corridor to downtown Butte. The PER was well designed, but it doesn't rate a high enough priority in comparison to the other mine reclamation funding requests. The department recommends no funding for this project.

John Tubbs, DNRC, reiterated that the department had to draw the line at \$2.4 million for funding toward these projects due to the action of special session and the budget shortfall, or they would have funded this program.

Proponents:

Jon C. Sesso, Butte-Silver Bow Planning Director, said that he has worked with and received grants from the RIT (Resource Indemnity Trust) program. He presented a projector visual showing the Committee the before and after effects of the reclamation site. He distributed a handout for the Committee members to follow and ask questions.

EXHIBIT(jlh18a01)

Matt Vincent, Butte-Silver Bow County, said he works with Mr. Sesso and asked the Committee to support this project.

Ron Hunson, Planner Specialist for Powell County, stated his support for this project. He has been working on this project with Mr. Vincent and Mr. Sesso.

Opponents: None

Questions from Committee Members and Responses:

REP. WITT asked who owns the property. **Mr. Sesso** replied that Butte-Silver Bow owns most of it, and some of it is owned by the Montana Department of Transportation (MDT).

CHAIRMAN KASTEN closed the hearing.

**Butte-Silver Bow Local Government-Butte Native Plant
Propagation Nursery, RDGP-Page 41**

CHAIRMAN KASTEN opened the hearing on Butte-Silver Bow Local Government-Butte Native Plant Propagation Nursery, RDGP-Page 41.

Greg Mills, RDGP-DNRC, said that the department recommends no funding for this project.

Proponents:

Matt Vincent, Butte-Silver Bow County Reclamation Specialist, presented a projector visual on native plants that provide vegetation cover for this project. He distributed a handout for the Committee members to follow.

EXHIBIT (j1h18a02)

Opponents: None

{Tape: 1; Side: A; Approx. Time Counter: 0 - 29}

{Tape: 1; Side: B}

Questions from Committee Members and Responses:

SEN. ZOOK asked why do they need to build a greenhouse in Butte, when they can purchase their plants from the Salish Kootenai Tribes on the Flathead. **Mr. Vincent** said that they collect the seeds from land, then they take the seeds to the Salish Kootenai greenhouse. When the seeds are ready to be planted back into the reclamation site, they have to travel over to the Flathead to pick them up and bring them back. He said that the Salish Kootenai is the one that suggested they build a greenhouse in their own environment.

CHAIRMAN KASTEN closed the hearing on both Butte projects.

**The CMC Roundhouse Program, Deer Lodge, RDGP-Page 59, and
The Kimball Mine Complex Reclamation, Elliston,
RDGP-Page 61**

CHAIRMAN KASTEN opened the hearing on two projects: 1) The CMC Roundhouse Program, Deer Lodge, RDGP-Page 59; and 2) The Kimball Mine Complex Reclamation, Elliston, RDGP-Page 61.

Greg Mills, RDGP-DNRC, said that both sites are not recommended for funding at this time.

Proponents:

Tom Hatch, Powell County Commissioner, stated his support for the project. **Mr. Hatch** explained the situation on the CMC Roundhouse site, stating that it is one block off of the main road that goes through town, and is a health risk.

Jed Thomas, Consultant with Sage Resources for Powell County, said there is a health issue concerning this project, because of the oil seeping up through the ground that has impacted the water wells, adjacent wetlands, and surface soils. He distributed a handout, which he addressed. **Mr. Thomas** said that Powell County has located federal monies that will allow them to reduce the money that they are requesting from the RDGP. He said instead of the \$276,450 requested, they only need \$76,400. The monies include EPA Brownsfield program, Economic Development Administration, and other federal and private funding sources. He said that the EPA Brownsfield monies are dependent on receiving this funding.

EXHIBIT(jlh18a03)

{Tape: 1; Side: B; Approx. Time Counter: 0 - 21}

Ron Hunson, Planner Specialist for Powell County, said that he is assisting Mr. Thomas on this project, and urged the Committee to support the project.

Matt Vincent, Butte-Silver Bow Reclamation Specialist, stated his support for the project.

{Tape: 2; Side: B; Approx. Time Counter: 21 - 26}

Opponents: None

Questions from Committee Members and Responses:

The Committee discussed the site's technical issues, and who the responsible owner is to clean this site up. **Jed Thomas** informed the Committee that he is currently in negotiations between CMC and the Railroad to recover funding to assist in this cleanup. **Mr. Thomas** said that the land is currently owned by a bankrupt railroad (RR), Chicago-Milwaukee, and CMC is the holding company, for these RR properties throughout the State. He said that CMC is currently in arrears on monies that have already been spent on this site.

{Tape: 2; Side: A}

Mr. Thomas said that in the negotiations with CMC, he has offered to take this land and assume the responsibility for the cleanup, given they (Powell County) receive the funding from this program and the EPA. They will then take over the title of this property for Powell County. He said that they are asking CMC to provide dollars to assist Powell County in supporting the environmental remediation.

John Tubbs, DNRC, asked Mr. Thomas if they have looked at "Orphan Share", a DEQ program to assist them in this cleanup. **Mr. Thomas** said they have looked at all grant monies, and didn't think they could use these funds from DEQ.

CHAIRMAN KASTEN asked about a project that Powell County has next to this site, and the amount of monies that Powell County put into that project. **Mr. Thomas** said that Powell County put up the money that would identify the project, but there hasn't been any work done on it at this time.

Greg Mills asked about the \$110,000 under a purchase agreement, and another \$30,000 that is contingent. **Ron Hunson** responded that the \$110,000 was the value of the land, and the contingency of \$30,000 is Powell County's attempt to establish a better negotiation position with CMC. He said they have asked CMC to give Powell County the \$30,000, then they (Powell County), would assume the responsibility of the project.

Greg Mills informed **CHAIRMAN KASTEN** that he wanted to confirm that the grant before them was not to be used in the purchase of this property. **Mr. Thomas** and **Mr. Hunson** stated that this money would not be used for the purchase of the property.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 8}

CHAIRMAN KASTEN closed the hearing on the CMC Roundhouse project.

Kimball Mine Complex Reclamation, RDGP-Page 61

CHAIRMAN KASTEN opened the hearing on the Kimball Mine Complex Reclamation, RDGP-Page 61.

Ron Hunson, Planner Specialist for Powell County, informed the Committee that he wasn't going to spend much time on this project. He said that he hasn't given up the funding possibility, but feels it is a futile effort in spite of the budget problems that the State is facing. He said that Powell

County has worked with the Forest Service for the past six years to clean up the Little Blackfoot River and its tributaries. He presented a visual for the Committee to view on the location of wells on land along the Little Blackfoot River that have been sectioned off in 20-acre parcels, and have the potential of being divided into five-acre parcels. He discussed the Ontario Mine above the Little Blackfoot River. He said it is his understanding that HB 177 is structured to take away these grant funds, and stated his opposition of HB 177. He urged the Committee to support this project.

{Tape: 2; Side: B; Approx. Time Counter: 8 - 14}

Opponents: None

Questions from Committee Members and Responses:

CHAIRMAN KASTEN asked Ron Hunson what the amount requested is for the Ontario Mine. **Mr. Hunson** said there is about \$1 million in National Forest funds, and \$300,000 RDGP. He said there is nominal in-kind services from the County.

CHAIRMAN KASTEN closed the hearing on both projects.

{Tape: 2; Side: B; Approx. Time Counter: 14 - 20}

**Lewis and Clark County-Cave Gulch Watershed Restoration,
RDGP-Page 45**

CHAIRMAN KASTEN opened the hearing on Lewis and Clark County-Cave Gulch Watershed Restoration, RDGP-Page 45.

Greg Mills, RDGP-DNRC, informed the Committee that other resources have been found to fund this project, therefore, they do not need this grant.

Proponents: None

Opponents: None

Questions from Committee Members and Responses: None

CHAIRMAN KASTEN closed the hearing, and adjourned the Committee.

ADJOURNMENT

Adjournment: 10:00 A.M.

REP. DAVE KASTEN, Chairman

CJ JOHNSON, Secretary

DK/CJ

EXHIBIT (j1h18aad)